

NOTIFICATION TO COUNTY MAYOR OF COMMITTEE MEETING BY MEMBERS OF MAURY COUNTY COMMISSION

The Special Called Budget Committee met on Tuesday, April 26, 2016 at approximately 4:30 PM in the Maury County Tom Primm County Commission Room with the following Committee Members present:

CRAIG HARRIS, SONNY SHACKELFORD, GWYNNE EVANS, GARY STOVALL,
TOMMY WOLAVER AND DONNA COOK.

OTHERS PRESENT: Gerald Adkison, Talvin Barner, Don Morrow, Terry Potts, Eric Previti,
Sue Stephenson, Linda Whiteside, Theresa Weber and Media.

MINUTES OF MEETING

I. CALL TO ORDER:

Vice Chairman Shackelford called the meeting to order. Commissioner Stovall offered the prayer. Commissioner Parker is absent and Commissioner Stovall is sitting in for him in his absence. Chairman Burkhalter is absent and Commissioner Harris is sitting in for him in his absence. Vice-Chairman Shackelford announced Chairman Burkhalter's mother is sick and in the hospital.

II. Maury County Water System Proposed Budget

Mr. Larry Chunn presented the Maury County Water System Proposed Budget. Mr. Chunn introduced two of his employees Ms. Ashley Slaughter and she has been with the water department 3 ½ years and Mr. Todd Schulz has been with the water department 5 ½ years. Mr. Chunn presented a power point presentation. Mr. Chunn stated the revenue is showing a little different from last year. Mr. Chunn stated they expect to meet a better goal than \$3,260,000.00 for the year. Mr. Chunn stated he would be glad to answer any questions that anyone may have. Vice-Chairman Shackelford asked Mr. Chunn was he looking to do anything with the rate structure this year. Mr. Chunn stated he would answer that question later on his presentation. Mr. Chunn stated that Office Expenses goes up a little every year. Commissioner Wolaver made a motion to accept the Maury County Water System Proposed Budget under advisement. Seconded by Commissioner Cook. Mr. Chunn moved on to the Field Expenses. Mr. Chunn stated they are down about \$3,000.00 from last year. There were no lights. Mr. Chunn stated they are currently looking at the cost of service and this is the third engagement in this process. Mr. Chunn stated they had two other cost assessments several years back and the last one was 2011. They will be basing this one on June 2015 ending audit year and the current study is in process now. Mr. Chunn stated that Jackson and Thornton Utilities Consultants of Montgomery, Alabama are the ones conducting the study. Mr. Chunn stated they should be done by June. Mr. Chunn stated what they will be looking for in this rate study is they will be looking for is the revenue of stability and sufficiency, fairness and equity and fair and related subsidies, equity and related price of cost, the ability for our customers to pay, the simplicity of trying to explain it to people that ask about it for the administration staff and also the customers understanding. Mr. Chunn stated they wanted to make sure it was legally defensible. Mr. Chunn stated the overall process will be to determine the revenue requirements, how much revenue does a system

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need to make to sustain our book system as a profit. Mr. Chunn stated on the Capital Improvement Plan the most important thing that has to be dealt with is the bond revenue payment has to be paid and the loan payments have to be paid and those are the two priorities they have and the third one is our tank. Mr. Chunn stated they are looking at how they are going to fund the I-65 project because it is very costly. Mr. Chunn stated this is how they wanted to try to cover the cost. Mr. Chunn stated they are going to ask for tax money from the Adequate Facilities tax. Mr. Chunn stated to have growth you have got to water and that is why Mr. Chunn asked the commission to help support Adequate Facilities money. Vice-Chairman Shackelford stated what the committee is going to vote on your budget is the revenue and expense budget. Commissioner Cook asked how long it would take to put the 12 inch pipes along I-65. Mr. Chunn stated if they already had the easements they could probably get it done within a year's time. Commissioner Cook asked Mr. Chunn if he had any idea what his fund balance was. Mr. Chunn stated the water department's long term total liabilities is \$6,900,000.00 and in the fund balance there was \$5,784,000.00. Mr. Chunn stated that is a shortfall of over a \$1,000,000.00 and that is based on depreciation. Commissioner Stephenson asked how much the rate study was going to cost. Mr. Chunn stated the rate study has already been paid for. Mr. Chunn stated they bought three years, three rate studies and it was started back in 2000 and this is the third one and it is already paid for. Commissioner Stephenson asked how much the study cost for all three. Mr. Chunn stated the price was around \$16,000.00. Commissioner Stephenson asked Mr. Chunn if he knows when they will get the results of the third study. Mr. Chunn stated he hoped to have it completed and hopefully presented to the board by the June, 2016 meeting. Mr. Chunn stated the last time the water department asked for adequate facilities tax money and the county commission gave them some was in 2000. Commissioner Potts asked what the current water rate was. Mr. Chunn stated it is \$6.00 per 1,000 gallons. Commissioner Adkison asked if there was any growth on Highway 7 and what are the plans. Mr. Chunn replied there are not any plans. Mr. Chunn stated it is not saying it can't be done but it is going to take a lot of funding to do it. There were no lights. All in favor. Motion Approved 6-0 to take the Maury County Water System Proposed Budget under advisement.

III. Purchasing Proposed Budget:

Purchasing Agent Buddy Harlan presented the Purchasing Proposed Budget. Mr. Harlan stated the Purchasing Department is asking for exactly what they received this last year. Vice-Chairman Shackelford asked about the longevity since Mr. Harlan had someone retiring, should that not go down. Mr. Harlan stated it depended on who got the job. Mr. Harlan stated he had to post the job first and if the person that is in the same area with that much time in play Mr. Harlan stated he would be coming back and asking for the money at some point. Commissioner Cook made a motion to approve the Purchasing Proposed Budget under advisement. Seconded by Commissioner Wolaver. All in favor. Motion Approved 6-0 to approve the Purchasing Proposed Budget under advisement.

IV. Veterans Services Proposed Budget:

Veterans Services Director James Patterson presented the Veteran's Services Proposed Budget. Mr. Patterson stated last year his budget was \$89,950.00 and this year he would

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like \$88,057.00. Commissioner Cook made a motion to accept the Veteran's Services Proposed Budget under advisement. Commissioner Evans seconded the motion. There were no lights. Motion Approved 6-0 to approve the Veteran's Services Proposed Budget under advisement.

V. Preservation of Records Proposed Budget:

Maury County Archives Director Bob Duncan presented the Preservation of Records Proposed Budget. Mr. Duncan wanted to recognize the Archivist Michelle Cannon and let everyone know what good work she has done. Mr. Duncan stated their budget is the same with three exceptions, insurance went down so the budget dropped but they want to ask for \$300.00 so they can send their employees to the Archives Institute in Nashville and their janitor got another job and went somewhere else. Mr. Duncan stated they interviewed four janitors and they took the lowest bid and it was still \$1,000.00 more than what they were paying. Mr. Duncan stated they would like to add that to their budget. Commissioner Harris made a motion to approve the Preservation of Records Proposed Budget under advisement. Seconded by Commissioner Cook. There were no lights. All in favor 6-0 to approve the Preservation of Records Proposed Budget.

VI. Other General Administration Proposed Budget:

Director Weber presented the Other General Administration Proposed Budget. Director Weber stated last year they had asked for \$950,629.00. Director Weber stated it had gone up a little bit to \$955,200.00. Director Weber stated part of that has to do with the Kronos cost and a telephone bill they have to pay every month so that the jail people can call in. Commissioner Harris made a motion to approve. Seconded by Commissioner Cook. Commissioner Cook made an amendment to the motion not to add \$26,000.00 on Line 51900-399-Other Contracted Services that is already at \$2,000.00 and that will take care of the strategic planner. Seconded by Commissioner Harris. Commissioner Cook stated she is raising that line item to \$28,000.00 because there is currently \$2,000.00 already in that line item. There were no lights. Vice-Chairman Shackelford called for the vote on the amendment. All in favor. 6-0 to not to exceed \$26,000.00 on Line 51900-399 Other Contracted Services that will take care of the strategic planner. Vice-Chairman Shackelford called for the budget as amended. There were no lights. All in favor 6-0 with the revised budget being \$981,200.00 under advisement.

VII. Accounting and Budgeting Proposed Budget :

Director Weber presented the Accounting and Budgeting Proposed Budget. Director Weber stated that last year was \$456,614.00 and this year it has gone done to \$451,031.00. Commissioner Cook made a motion to approve the Accounting and Budgeting Proposed Budget. Seconded by Commissioner Harris. Commissioner Harris asked Director Weber if she would foresee this new internal routines and controls requiring any additional staff. Director Weber stated that Mr. Lukonen and she are working on the actual policies and procedures. There were no lights. All in favor. Motion approved 6-0 to accept the Accounting and Budgeting Proposed Budget under advisement.

VIII. Adequate Facilities-Revenue & Expenditures :

Director Weber stated this is for the Adequate Facilities the revenue. Director Weber stated she brought it up to \$951,000.00 and that is the revenue side. Director Weber stated she feels like they will come closer to bringing in a \$1,000,000.00 this year. Director Weber stated the \$500,000.00 that is the money when the Parks came to the commission and said they could get grant money about Yanahli and it is a matching grant. Director Weber stated she put more cost possibly for \$25,456.00 for the Building Construction-Maintenance Building. Vice-Chairman Shackelford asked Director Weber were they voting on a \$1,000,000.00. Director Weber replied yes because they have to spend \$1,000,000.00 to get \$500,000.00 back. Director Weber stated if he does not get the grant they will come in and do a budget amendment and get rid of it. Commissioner Cook made a motion to approve the Adequate Facilities Revenues & Expenditures under advisement. Seconded by Commissioner Stovall. There were no lights. All in favor. Motion Approved 6-0 to accept the Adequate Facilities Revenue & Expenditures under advisement.

IX. Debt Service-Revenues & Expenditures :

Director Weber presented the Debt Service Revenues & Expenditures: Director Weber stated if you look at last year under the approved budget she had to take out some refunding loans so that wouldn't affect this year. Director Weber stated she is expecting about \$11,000,000.00 coming in. Director Weber stated bottom line for the debt service is 1.8 cents because of the 2008 refunding that was done and there was still some original 2008 debt plus they just did the five school buses and that was \$355,000.00 and there were interest payments for Central High School. Director Weber stated that bottom line it would be \$11,675,226.00. Commissioner Wolaver asked would it be an additional \$1.8 cents based on where they are at now. Mr. Lukonen stated last year the tax rate was \$164,726.00 so it is approximately \$6,000.00 for each penny extra with the tax rate changing. Vice-Chairman moved on to the Debt Service-Expenditures. Director Weber stated she got information for the final numbers for the five school buses and she got the packet in for the refunding and Director Weber stated she had updated all the numbers. Director Weber stated the bank charges if they do more debt the count gets hit with more money and she may have to bring that up if they do more debt. The Trustee's Commission Director Weber stated she left that the same. Director Weber stated what she was asking for was \$11,675,226.00. Commissioner Stovall made a motion to accept the Debt Service Revenues & Expenditures Proposed Budget. Seconded by Commissioner Cook. Vice-Chairman Shackelford asked Director Weber about the buses if what was included in the \$11,675,226.00 is just the scheduled payment. Director Weber replied yes. Commissioner Harris asked Director Weber if they would need in addition to what they allocated to Debt Service another 1.8 cents. Director Weber replied yes. Director Weber stated she has to maintain one year worth of debt payments in the fund balance in the 151 fund. There were no lights. All in favor. Motion Approved 6-0 to approve the Debt Service-Revenues & Expenditures under advisement.

X. ANNOUNCEMENTS:

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Director Weber stated she had e-mailed everyone out the CT-0253 form and this is the form Director Weber has sent to the State regarding the financing of the five school buses. Director Weber had to mention this to get this in the minutes.

Director Weber stated the Capital Project book is what they will be working from at tomorrow night's meeting. Director Weber stated that Maury Alliance will be at the meeting tomorrow night and will present first and then the Non-Profit's will present and then the schools.


XI. ADJOURNMENT:

- A. There was a Motion made to adjourn the meeting at approximately 5:42 PM.

APPROVED


Charlie Norman, Jr. County Mayor

SIGNED


Davis Burkhalter, Budget Committee Chairman

